



## **AS BITCOIN REWARDS DROP BY HALF, SKYCHAIN SEEKS TOP LOCATIONS IN CANADA**

**Vancouver, BC, Canada, April 15, 2020 – Skychain Technologies Inc.** (TSXV-SCT) reports today that powerful new Bitcoin miners from Bitmain Technology and MicroBT are generating fierce competition ahead of the upcoming Bitcoin mining rewards halving event expected May 12, 2020. As this competition heats up, it drives the need for more and more efficient Bitcoin mining. As a result, SkyChain expects to reinforce its competitive advantage for hosting Bitcoin mining facilities in Canada, particularly in Manitoba.

“We want to be in the right place at the right time,” said SkyChain CEO Bill Zhang. “The upcoming halving of Bitcoin rewards will force miners to seek out the world’s very best jurisdictions. Canada is viewed as one of the best, and we will be ready.”

### **Bitcoin Halving Explained**

As part of Bitcoin's coin issuance policies, miners are rewarded a certain number of bitcoins whenever a block is produced. (See Investopedia's excellent explanation of Bitcoin blocks [here](#).) Blocks are produced approximately every ten minutes. When Bitcoin first launched, 50 Bitcoins per produced block were awarded to miners. After every 210,000 blocks are mined (occurring approximately every four years), the block reward is cut in half. The rewards will continue halving until the reward per block becomes 0 (approximately by year 2140). As of now, the block reward is **12.5** coins per block. Following the May 12 halving event, securing low cost electricity will be crucial to the continuing success for crypto miners.

### **Bitmain Technology and MicroBT Locked in Fierce Competition**

To remain competitive in this environment, Bitcoin miners must keep costs low and efficiency high, and they must operate at top speeds. Bitmain Technology's new Antminer S19 model, with a hash rate of 95 terahashes per second (TH/s) sold out within 24 hours when launched on March 23<sup>rd</sup>.

MicroBT sold around 600,000 units of its 60 TH/s flagship, WhatsMiner M20, in 2019, far outpacing Bitmain's S17. Now, MicroBT plans to launch the 88 TH/s WhatsMiner M30, which would represent fierce competition between the two firms during 2020.

These strong sales are indicative of the underlying strength in the crypto mining industry. Crypto currency is perceived to be viable store of value due to increasing public concerns of the large amount of fiat currencies being issued by most central governments, particularly in current economic conditions.

### **The Key Factors: Electricity Costs and Heat Efficiency**

Electricity accounts for up to 95% of all Bitcoin mining expenses, so miners with the lowest electricity rates have a significant competitive advantage.

The mining computers also generate enormous amounts of heat that reduces efficiency. By using state-of-the-art, incredibly fast machines in jurisdictions with cheap power and cool climates common in Canada, miners can operate at peak efficiency.



**SkyChain in Canada, Where Power is Cheap**

SkyChain, which provides Blockchain infrastructure services and power solutions for Bitcoin miners, is preparing for significant expansion in Canadian provinces with low electricity rates and cooler climates that heat-generating data mining requires. SkyChain is currently conducting due diligence on a large-scale site in Manitoba permitted for use as a crypto (or data mining) host facility.

“We believe Manitoba and Quebec are the world’s Bitcoin mining regions of the future,” said Zhang. “We know that many of the largest Bitcoin miners are looking seriously at Canada, not only for our low power costs and cool climate, but because it’s a safe and stable place to do business.”

Manitoba’s electricity rates range as low as C\$.0467 per Kwh, representing some of North America’s lowest power costs. According to Hydro Quebec, electricity in Canada’s major cities for 2019 ranged from a low of \$0.0539 per kWh in Winnipeg to \$0.1280 per kWh in Edmonton.

ON BEHALF OF THE BOARD OF DIRECTORS

**Bill Zhang**  
**President and CEO**

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Skychain Technologies is a Vancouver based company providing Blockchain Infrastructure services and power solutions. To learn more, visit [www.skychaintechnologies.com](http://www.skychaintechnologies.com).

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